



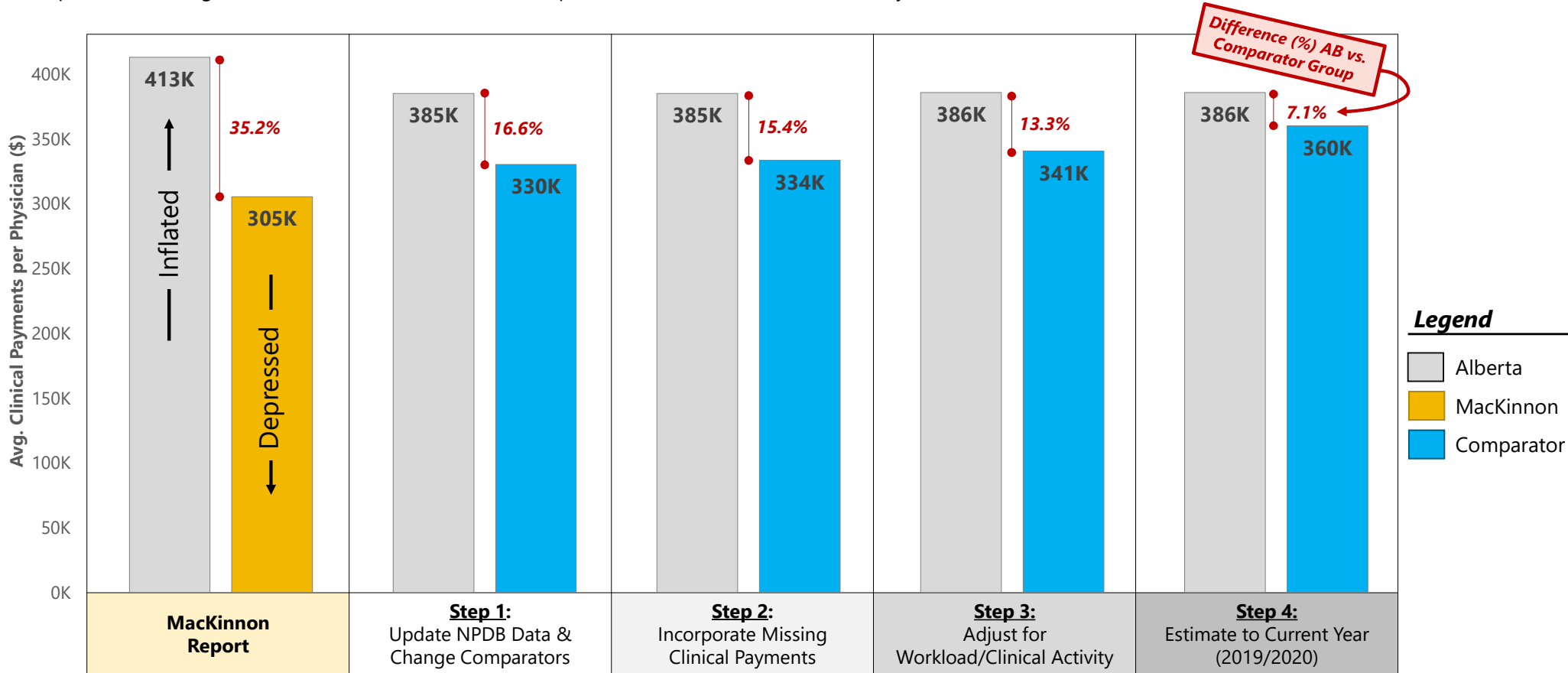
Physician Compensation Benchmarking:

Impact of 0% fee increases in 2020/2021 and 2021/22 – All Physicians

DATE: June 11th, 2020

Executing the Benchmarking Methodology – Steps 1 to 4

- The results for each of the first four steps of the benchmarking methodology are depicted in the chart below
- MacKinnon figures are also shown and demonstrate the impact poor benchmarking decisions can have on establishing fact-based plans and expectations; using recent CIHI data and reasonable comparators reduces MacKinnon's 35% by more than half



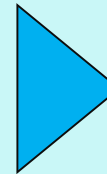
Physician Compensation Benchmarking Methodology – Step 5: Projecting to Desired Timeframe

- The tables below depict the results of a **fee scenario with 0% fee increases in both 2020/21 and 2021/22**
- **Comparator weighted average projections** were developed based on master agreement fee changes for each comparator province

Fee scenario: 0% fee increases in both 2020/21 and 2021/22

Projected Avg. Clinical Payments per Physician

Jurisdiction	2019/20	2020/21	2021/22
Alberta	\$385,886	\$385,886	\$385,886
Comparator Weighted Average	\$360,295	\$365,208	\$374,227



Alberta vs. Comparator Weighted Average

2019/20	2020/21	2021/22
+7.1%	+5.7%	+3.1%

Note: +% indicates Alberta is higher than comparators

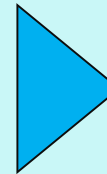
Physician Compensation Benchmarking Methodology – Step 5: Projecting to Desired Timeframe

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Fee scenario: 0% fee increases in both 2020/21 and 2021/22

Projected Total Clinical Payments per Capita

Jurisdiction	2019/20	2020/21	2021/22
Alberta	\$906	\$908	\$907
Comparator Weighted Average	\$852	\$886	\$932



Alberta vs. Comparator Weighted Average

2019/20	2020/21	2021/22
+6.4%	+2.5%	-2.7%


Note: +% indicates Alberta is higher than comparators


APPENDIX

Provincial Negotiated Fee Increases

Master Agreement Fee Increases – 2018/19 to 2021/22

Province	Fiscal Year			
	2018/19	2019/20	2020/21	2021/22
AB	0.00%	0.00%	0.00%	0.00%
ON	2.00% ¹	4.95% (FFS) 3.65% (non-FFS) ¹	1.00% ¹	2.5%
SK	1.13%	1.13%	1.13%	1.13%
BC	0.50%	3.23%	2.67%	2.65%

 Source: AMA Economics

 Estimates based on avg. fee increase for prior 3 years

Explanatory notes:

Ontario

Updates to rates for 2018/19 and 2019/20 in **Ontario** were applied as follows (arbitration award adjustments):

- **2018/19:** 1.25% + 0.75% = 2.0%
- **2019/20:** 4.95% (3.95% + 1% ATB) applied to Fee-for-service clinicals payments; 3.65% (2.65% + 1% ATB) applied to non-Fee-for-service clinical payments

Saskatchewan

- SMA and provincial government remain in negotiations. The average of the fee rates increase between 2011/12 and 2017/18 (1.13%) was used to estimate fees from 2018/19 to 2022/23

Note:

- 1) 2018/19 and 2019/20 updates for Ontario: Updated to reflect reversal of governments unilateral across the board discounts implemented after 2014